

DISTRICT I

P.O. Box 1980, Hobbs, NM 88240

DISTRICT II

P.O. Box Drawer DD, Artesia, NM 88210

DISTRICT III

1000 Rio Brazos Rd., Aztec, NM 87410

OIL CONSERVATION DIVISION

P.O. Box 2088

Santa Fe, New Mexico 87504-2088

WELL API NO.	30-025-09979
5. Indicate Type of Lease	STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>
6. State Oil / Gas Lease No.	
7. Lease Name or Unit Agreement Name	MARK
8. Well No.	1
9. Pool Name or Wildcat	PENROSE SKELLY GRAYBURG
10. Elevation (Show whether DF, RKB, RT, GR, etc.)	3415' GL

SUNDRY NOTICES AND REPORTS ON WELLS
(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO
DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT
(FORM C-101) FOR SUCH PROPOSALS.

1. Type of Well: OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/>	2. Name of Operator CHEVRON USA INC
3. Address of Operator 15 SMITH ROAD, MIDLAND, TX 79705	4. Well Location Unit Letter B : 660' Feet From The NORTH Line and 1980' Feet From The EAST Line Section 3 Township 22-S Range 37-E NMPM LEA COUNTY
10. Elevation (Show whether DF, RKB, RT, GR, etc.) 3415' GL	

11. Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐
TEMPORARILY ABANDON ☐ CHANGE PLANS ☐
PULL OR ALTER CASING ☐
OTHER: DRILL DEEPER IN GRAYBURG ☒

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPERATION ☐ PLUG AND ABANDONMENT ☐
CASING TEST AND CEMENT JOB ☐
OTHER: ☐

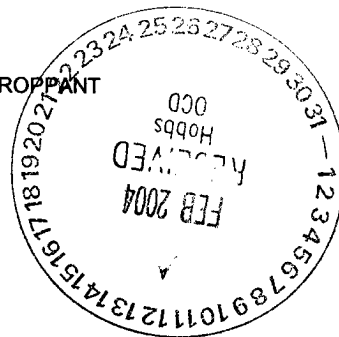
12. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work) SEE RULE 1103.

CHEVRON U.S.A. INC. INTENDS TO DRILL THE SUBJECT WELL DEEPER IN THE GRAYBURG POOL.
OLD TD WAS 3735' AND THE PROPOSED NEW TD WILL BE 3860'.

THE FOLLOWING IS AN INTENDED PROCEDURE:

- 1)MIRU.
- 2) CLEAN OUT O.H. TO 3735 USING FOAM. DRILL DN TO 3860.
- 3) TIH W/PKR & SET @ 3550. SWAB TEST FR 3573-3860.
- 4) ACIDIZE O.H. FR 3573-3860 W/4200 GALS 15% NEFE HCL.
- 5) OPEN WELL & SWAB BACK FLUIDS.
- 6) TIH W/BIT & TAG FOR SALT FILL.
- 7) TIH W/PKR, ON/OFF TOOL, WS. SET PKR @ 3550. INSTL FRAC HEAD.
- 8) FRAC W/66,000 GALS GEL, 138,000 LBS 16/30 MESH JORDAN SAND & 30,000 LBS RESIN COATED 16/30 PROPPANT
- 9) TIH & SWAB WELL. REL PKR. TIH W/BIT & C/O SAND TO 3860.
- 10) TIH W/PROD TBG. TIH W/RDS & PMP.
- 11) RDMO PULLING UNIT. TURN WELL OVER TO PRODUCTION.

CURRENT & PROPOSED WELLBORE DIAGRAMS ARE ATTACHED.



I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE Denise Leake TITLE Regulatory Specialist DATE 2/10/2004
TYPE OR PRINT NAME Denise Leake Telephone No. 915-687-7375

(This space for State Use)

APPROVED [Signature] DATE FEB 17 2004
CONDITIONS OF APPROVAL, IF ANY: TITLE

PETROLEUM ENGINEER

CURRENT WELL DATA SHEET

Field: <u>Penrose-Skelly</u>	Well Name: <u>Mark #1</u>	Lease Type: <u>Fee</u>
Location: <u>660' FNL & 1980' FEL</u>	Sec: <u>3-B</u> Township: <u>22S</u>	Range: <u>37E</u>
County: <u>Lea</u> St: <u>New Mexico</u>	Refno: <u>FB4764</u> API: <u>30-025-09979</u>	Cost Center: <u>UCU490200</u>
Current Status: <u>Producing-Rods</u> Anchor Test Date: _____		
Current Producing Formation(s): <u>Grayburg</u>		
Initial Producing Formation(s): <u>Grayburg</u>		

Surface Csg.

Size: 9 5/8"
 Wt.: 25.7#
 Set @: 251'
 Sxs cmt: 250
 Circ: Yes
 TOC: Surface
 Hole Size: 13 3/4"

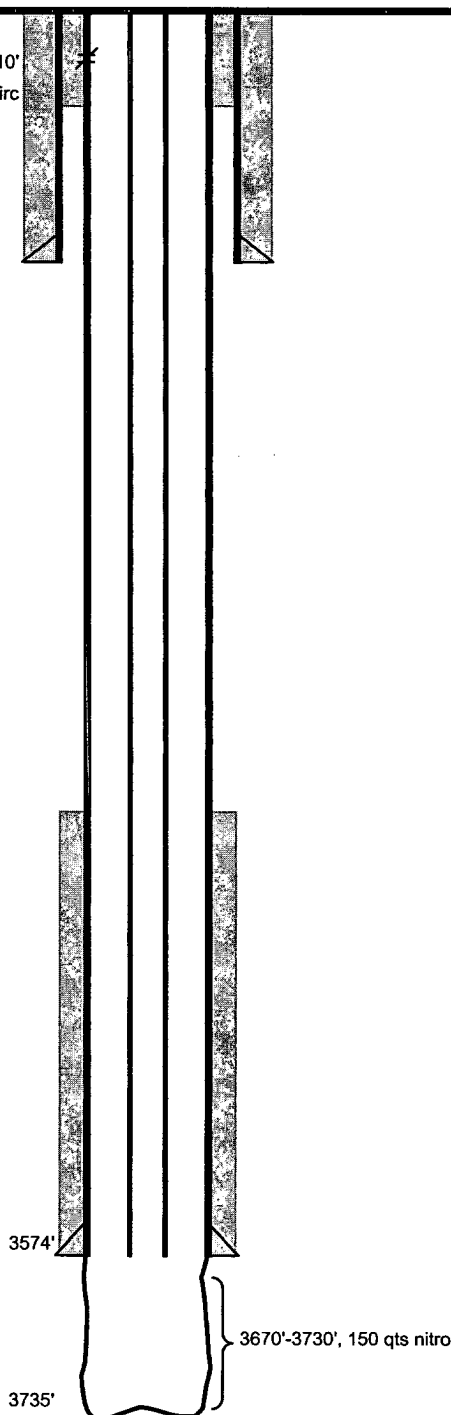
csg leak @ 310'
sqz'd w/ 250 sxs, circ

KB: _____
 DF: 3421.5
 GL: 3415'
 Spud Date: 6/28/1940
 Compl. Date: 8/15/1940

Production Csg.

Size: 5 1/2"
 Wt.: 14#
 Set @: 3574'
 Sxs Cmt: 200
 Circ: No
 TOC: ?
 Hole Size: 6 3/4"

COTD: _____
 PBTD: 3735'
 TD: 3735'



Remarks: _____

Prepared by: MRV
 Date: 2/9/2004
 Updated by: _____

CURRENT WELL DATA SHEET *Proposed*

Field: Penrose-Skelly Well Name: Mark #1 Lease Type: Fee
Location: 660' FNL & 1980' FEL Sec: 3-B Township: 22S Range: 37E
County: Lea St: New Mexico Refno: FB4764 API: 30-025-09979 Cost Center: UCU490200
Current Status: Producing-Rods Anchor Test Date: _____
Current Producing Formation(s): Grayburg
Initial Producing Formation(s): Grayburg

Surface Csg.

Size: 9 5/8"
Wt.: 25.7#
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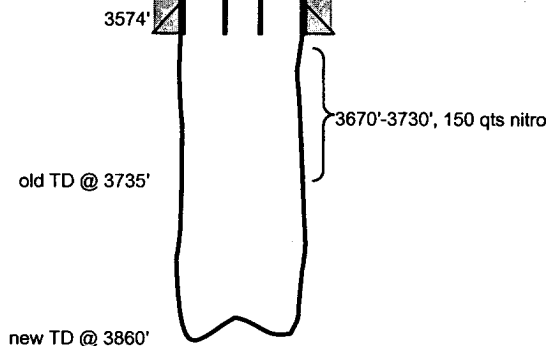
csg leak @ 310'
sqz'd w/ 250 sxs, circ

KB: _____
DF: 3421.5
GL: 3415'
Spud Date: 6/28/1940
Compl. Date: 8/15/1940

Production Csg.

Size: 5 1/2"
Wt.: 14#
Set @: 3574'
Sxs Cmt: 200
Circ: No
TOC: ?
Hole Size: 6 3/4"

COTD: _____
PBDT: 3860'
TD: 3860'



Remarks: _____

Prepared by: MRV
Date: 2/9/2004
Updated by: _____